
By: **Delegate Pendergrass**

Introduced and read first time: February 13, 2004

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Medical Assistance Program - Payments to Nursing Homes - Penalties**

3 FOR the purpose of requiring the Department of Health and Mental Hygiene to make
4 a certain Medical Assistance Program payment to a nursing home within a
5 certain time; requiring the Department to make a certain interest payment to a
6 nursing home under certain circumstances; prohibiting the Department from
7 requiring a nursing home to make an additional claim for a certain interest
8 payment; prohibiting the Department from offsetting certain interest payments
9 against a nursing home's allowable cost of care; defining a certain term; and
10 generally relating to the Medical Assistance Program and payments to nursing
11 homes.

12 BY repealing and reenacting, without amendments,
13 Article - Health - General
14 Section 15-101(a) and (i) and 19-1401(a) and (e)
15 Annotated Code of Maryland
16 (2000 Replacement Volume and 2003 Supplement)

17 BY adding to
18 Article - Health - General
19 Section 15-117.1
20 Annotated Code of Maryland
21 (2000 Replacement Volume and 2003 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article - Health - General**

25 15-101.

26 (a) In this title the following words have the meanings indicated.

27 (i) "Program" means the Maryland Medical Assistance Program.

1 15-117.1.

2 (A) IN THIS SECTION, "NURSING HOME" HAS THE MEANING STATED IN §
3 19-1401(E) OF THIS ARTICLE.

4 (B) THE DEPARTMENT SHALL REIMBURSE A NURSING HOME THE FULL
5 AMOUNT OWED FOR MEDICAL CARE PROVIDED BY A NURSING HOME TO A PROGRAM
6 RECIPIENT WITHIN 30 DAYS FROM THE DATE THAT THE DEPARTMENT OF HUMAN
7 RESOURCES DETERMINES THAT THE INDIVIDUAL IN THE NURSING HOME IS
8 ELIGIBLE FOR THE PROGRAM.

9 (C) IF THE DEPARTMENT DOES NOT MAKE THE PAYMENT REQUIRED UNDER
10 SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL PAY INTEREST ON THE
11 AMOUNT OWED BY THE DEPARTMENT TO THE NURSING HOME THAT REMAINS
12 UNPAID 30 DAYS FROM THE ELIGIBILITY DETERMINATION MADE BY THE
13 DEPARTMENT OF HUMAN RESOURCES AT THE FOLLOWING RATE:

14 (1) 1.5% FROM THE 31ST DAY THROUGH THE 60TH DAY;

15 (2) 2% FROM THE 61ST DAY THROUGH THE 120TH DAY; AND

16 (3) 2.5% AFTER THE 120TH DAY.

17 (D) THE INTEREST PAYMENT REQUIRED FROM THE DEPARTMENT UNDER
18 SUBSECTION (C) OF THIS SECTION SHALL BE INCLUDED IN THE NURSING HOME'S
19 REIMBURSEMENT RATE.

20 (E) THE DEPARTMENT MAY NOT REQUIRE A NURSING HOME TO MAKE AN
21 ADDITIONAL CLAIM FOR THE INTEREST PAYMENT REQUIRED FROM THE
22 DEPARTMENT UNDER SUBSECTION (C) OF THIS SECTION.

23 (F) WHEN CONDUCTING A PROGRAM AUDIT OF A NURSING HOME, THE
24 DEPARTMENT MAY NOT OFFSET INTEREST PAYMENTS RECEIVED UNDER
25 SUBSECTION (C) OF THIS SECTION AGAINST A NURSING HOME'S ALLOWABLE COST
26 OF CARE.

27 19-1401.

28 (a) In this subtitle, the following words have the meanings indicated.

29 (e) "Nursing home" means a facility (other than a facility offering domiciliary
30 or personal care as defined in Subtitle 3 of this title) which offers nonacute inpatient
31 care to patients suffering from a disease, chronic illness, condition, disability of
32 advanced age, or terminal disease requiring maximal nursing care without
33 continuous hospital services and who require medical services and nursing services
34 rendered by or under the supervision of a licensed nurse together with convalescent,
35 restorative, or rehabilitative services.

36 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
37 July 1, 2004.

